TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

March 11, 2002 LB 384

SPEAKER KRISTENSEN: Senator Beutler, followed by Senator Foley, Baker, Cudaback, Janssen, Redfield, Bromm, Landis, Tyson, and Ouandahl. Senator Beutler.

SENATOR BEUTLER: Senator Kristensen. members Legislature, I...I spoke a little before about the procedural black hole and that, I think, is...is one thing that we...that we need to continuously keep in mind, even with the new amendment. The other thing that...that is of great concern to me, and that I'm having a hard time reconciling, is the order of things here. What we're really talking about, in this bill, is a remedy. It's a remedy for ills, for bad service, for rates that are too high. It's a way of dealing with the other side in order to try to bring about what you consider to be a higher standard, or a more reasonable rate, whatever the problem may But the problem is that this is kind of the nuclear bomb of You're...you're going to take away their whole remedies. system. And it would rarely make sense to use a remedy like this. And you kind of wonder about why it is we're talking only about the nuclear bomb of remedies instead of talking about the whole system and the progressive, milder remedies that we use to resolve problems between utilities and cities, from time to time and place to place, as we go on. Senator Quandahl mentioned the fact that the Public Service Commission does not regulate gas utilities in Nebraska. And it seems to me that what we need, first of all, is an understanding and a comprehensive regulatory structure that defines how you resolve service problems, that defines how you resolve rate problems, and includes some of the more smaller, traditional remedies, like civil penalties, like injunctive orders directing a change in service. I want to explore with Senator Quandahl, in the course of this debate, exactly, now...exactly what the law is now with regard to how cities resolve these...these problems, especially how they resolve these problems in a variety of what can only be characterized as monopolistic situations. But my basic problem is this. Don't we have the cart before the horse? Shouldn't we look comprehensively at the regulatory system, and then decide how the nuclear bomb of remedies fits into the array of remedies that we might consider appropriate for the regulation of this particular industry? So we've got...we've got things backwards here. And having things backwards, if we...if we do this then